



Results From the 2022 Retirement Confidence Survey

EBRI Webinar

May 17, 2022

Speakers



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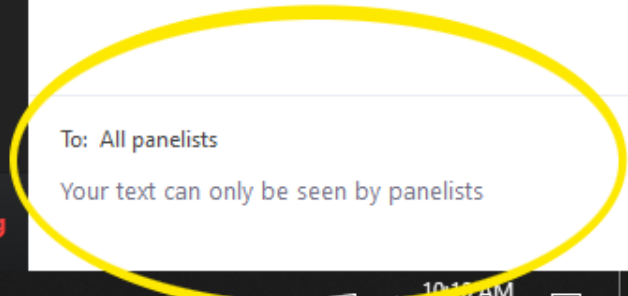
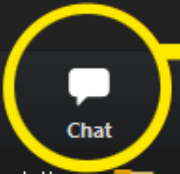
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2022 RETIREMENT CONFIDENCE SURVEY

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2022 RCS Partners

EBRI and Greenwald would like to thank the 2022 RCS partners who helped shape this year's survey.

American Century

American Funds / Capital Group

Ayco

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2022 RCS Overview

32nd Annual Retirement Confidence Survey (RCS)

The RCS is the longest-running survey of its kind, measuring worker and retiree confidence about retirement, and is conducted by the Employee Benefit Research Institute (EBRI) and Greenwald Research.

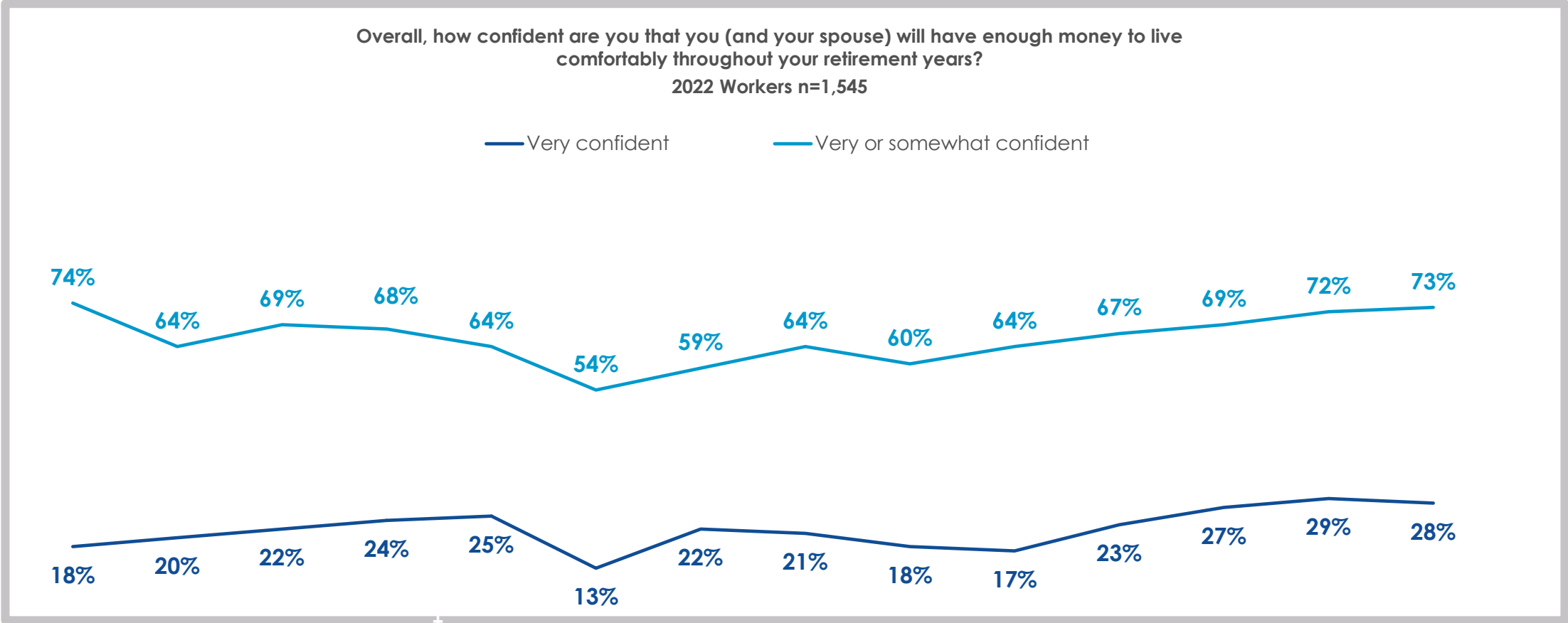
The 2022 survey of **2,677** Americans was conducted through an online panel from **January 4 through January 26, 2022**. All respondents were **ages 25 or older**. The survey included **1,545 workers and 1,132 retirees** – this year included an oversample of **807** completed surveys among LGBTQ members (**639 workers and 168 retirees**).

Data were weighted by age, sex, LGBTQ status, household income and race/ethnicity, in order to provide nationally representative estimates. Unweighted sample sizes are noted on charts to provide information for margin of error estimates. The margin of error would be ± 2.5 percentage points for workers, ± 3.0 retirees, and ± 3.5 for LGBTQ respondents in a similarly-sized random sample.

Please note percentages in the following tables and charts may not total to 100 due to rounding and/or missing categories. Any trend changes or differences in subgroups noted in text are statistically significant; if no trend changes are noted, there were no significant differences.

Retirement Confidence

As in 2021, slightly more than 7 in 10 workers are confident in having enough money to live comfortably in retirement.



1993

1994

1999

2004

2005

2009

2015

2016

2017

2018

2019

2020

2021

2022

↑
First year
asked

Who are confident workers? They are more likely to be...

DEMOGRAPHICS
64% Married (vs. 32% less confident)
27% Graduate or Professional Degree (vs. 9% less confident)
73% Employed full-time (vs. 47% less confident)
33% Expect retirement age will be <65 (vs. 12% less confident)
67% Excellent/very good health (vs. 29% less confident)
48% Expect to live to age 85+ (vs. 31% less confident)
58% Household income \$100k+ (vs. 12% less confident)
55% Men (vs. 36% less confident)
42% Have an advisor (vs. 9% less confident)

SAVINGS
81% Have saved for retirement (vs. 30% less confident)
95% Currently saving (vs. 83% less confident)
54% No debt problem (vs. 19% less confident)
53% Calculated how much money is needed to live comfortably in retirement (vs. 18% less confident)
39% Personal savings or investments for retirement \$250k+ (vs. 4% less confident)

RETIREMENT PLAN
81% Employer offers DC plan (vs. 57% less confident)
96% Contribute to DC plan (vs. 76% less confident)
44% Have DB plan (vs. 15% less confident)
89% Satisfied with workplace retirement plan (vs. 48% less confident)

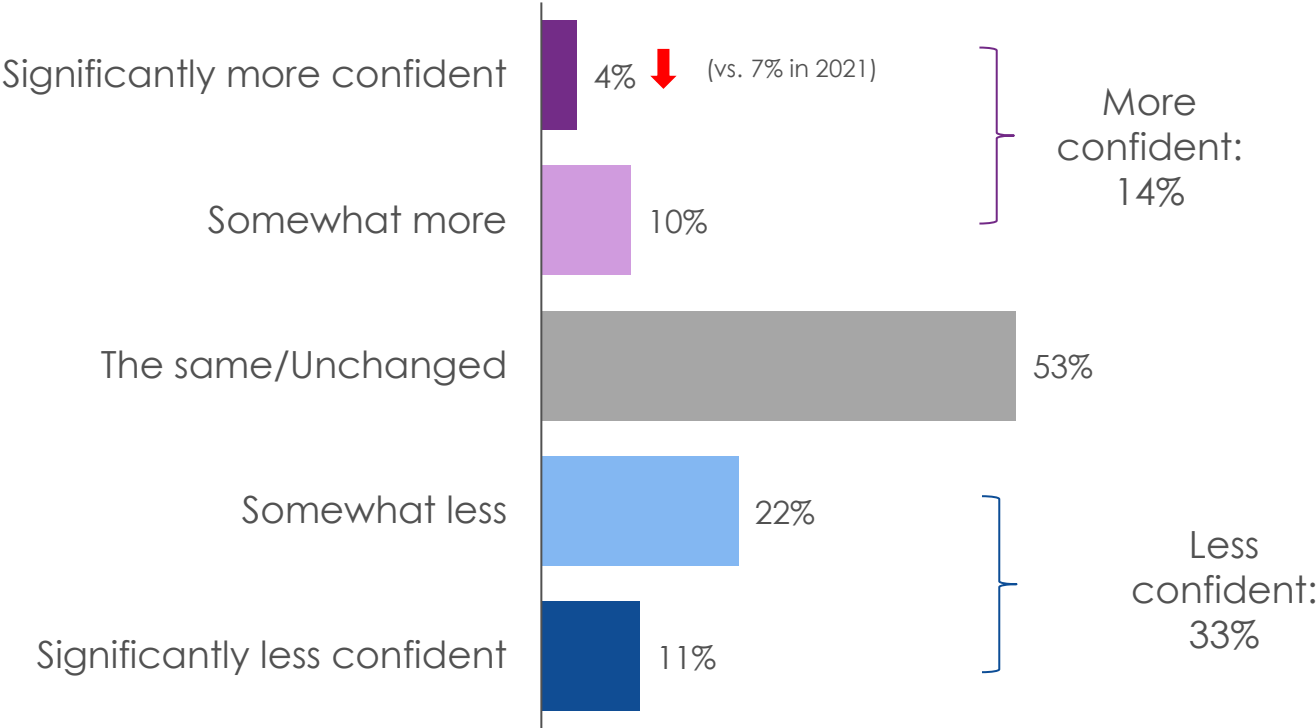
MAJOR SOURCES OF INCOME IN RETIREMENT
52% From workplace retirement plan (vs. 38% less confident)
34% From personal savings or investments (vs. 27% less confident)
27% From DB plan (vs. 21% less confident)
34% From an IRA (vs. 21% less confident)

OTHER
84% Feel knowledgeable about day-to-day finances (vs. 64% less confident)
78% Feel knowledgeable about managing savings (vs. 39% less confident)

Half of workers report that the COVID-19 pandemic has not changed their confidence in their ability to live comfortably throughout their retirement.

Over the past year, how has the COVID-19 pandemic and its health and economic effects impacted your confidence that you (and your spouse) will have enough money to live comfortably throughout your retirement years? Do you feel...?

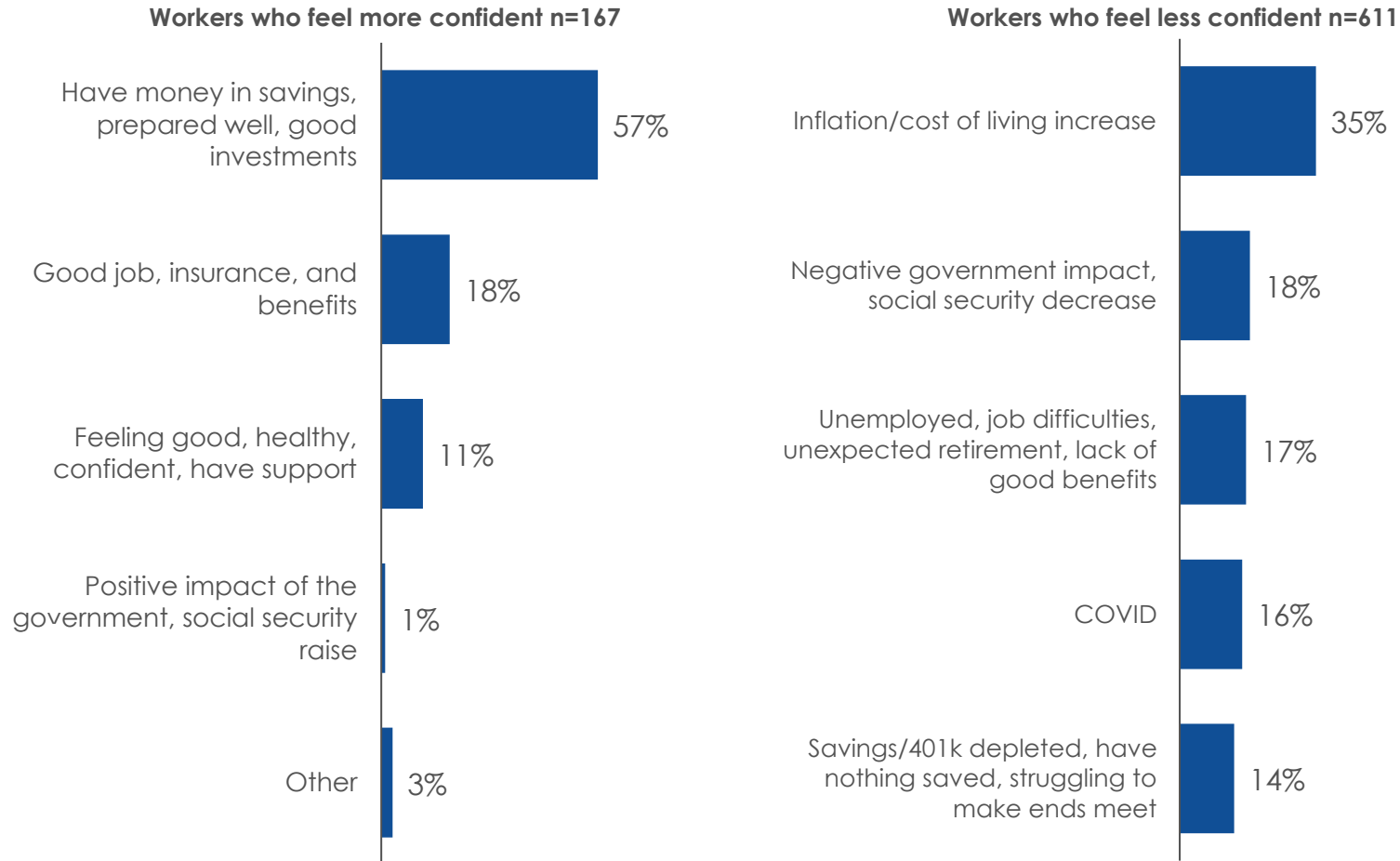
Workers n=1,545



↑=Significantly higher than previous year, ↓=significantly lower than previous year;

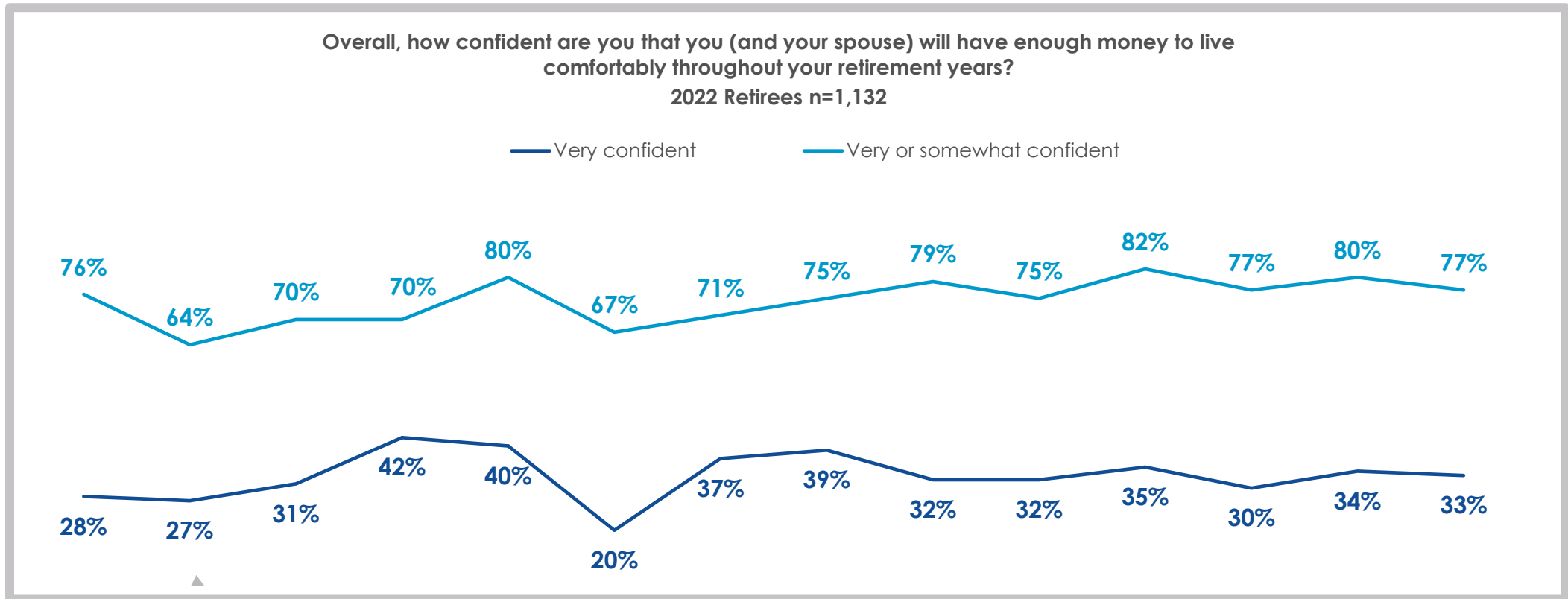
Almost 6 in 10 workers who feel more confident in their ability to live comfortably since COVID report it was due to having money in savings or having good investments. Over a third of workers who feel less confident state it was due to inflation or cost of living increases.

What specifically has made you feel [more/less] confident about your ability to live comfortably throughout retirement?



Not previously asked;
 ABCD= Significant difference between LGBTQ and Non-LGBTQ

Almost 8 in 10 retirees are confident they will have enough to live comfortably in retirement; this is comparable to 2021.



1993 1994 1999 2004 2005 2009 2015 2016 2017 2018 2019 2020 2021 2022

First year asked

ABCD=Significant difference between LGBTQ and Non-LGBTQ

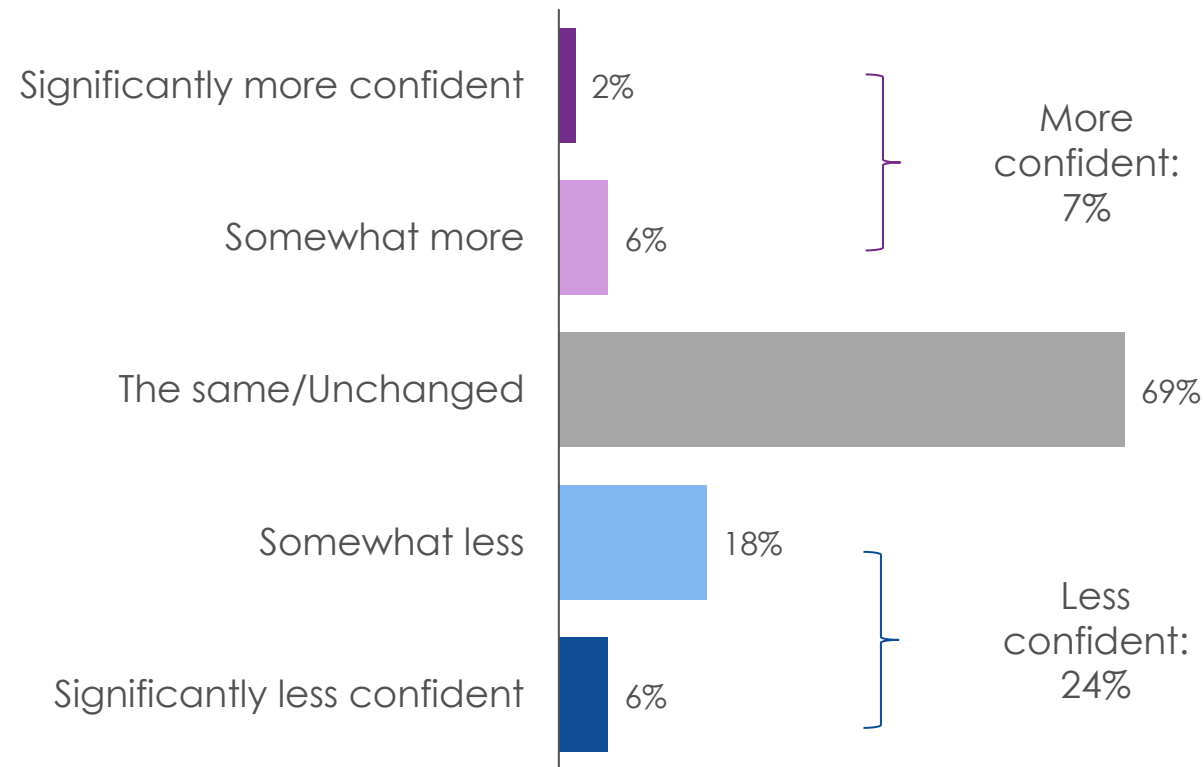
Who are confident retirees? They are more likely to be...

DEMOGRAPHICS	SAVINGS	RETIREMENT PLAN
62% Married (vs. 34% less confident)	85% Have saved for retirement (vs. 44% less confident)	61% Have DB plan (vs. 23% less confident)
50% Excellent/very good health (vs. 20% less confident)	65% Currently saving (vs. 29% less confident)	59% Money in a workplace retirement plan (vs. 29% less confident)
58% Household income \$60k+ (vs. 15% less confident)	76% No debt problem (vs. 26% less confident)	52% Money in spouse's workplace retirement plan (vs. 22% less confident)
50% Personal savings or investments for retirement \$250k+ (vs. 6% less confident)	PREPARATIONS	86% Have not taken a loan from retirement plan (vs. 60% less confident)
45% Currently work with an advisor (vs. 14% less confident)	68% Estimated how much income was needed each month (vs. 36% less confident)	MAJOR SOURCES OF INCOME IN RETIREMENT
39% Expect to live to age 90+ (vs. 22% less confident)	64% Thought about how to occupy time in retirement (vs. 40% less confident)	44% From DB plan (vs. 18% less confident)
Average age of 71 (vs. age 69 less confident)	52% Thought about how much to withdraw in retirement (vs. 23% less confident)	35% From personal savings or investments (vs. 17% less confident)
	49% Calculated how much money is needed to live comfortably in retirement (vs. 21% less confident)	30% From an IRA (vs. 12% less confident)
	53% Retired when planned (vs. 24% less confident)	27% From a workplace retirement savings plan (vs. 14% less confident)

All percentages shown are statistically significant

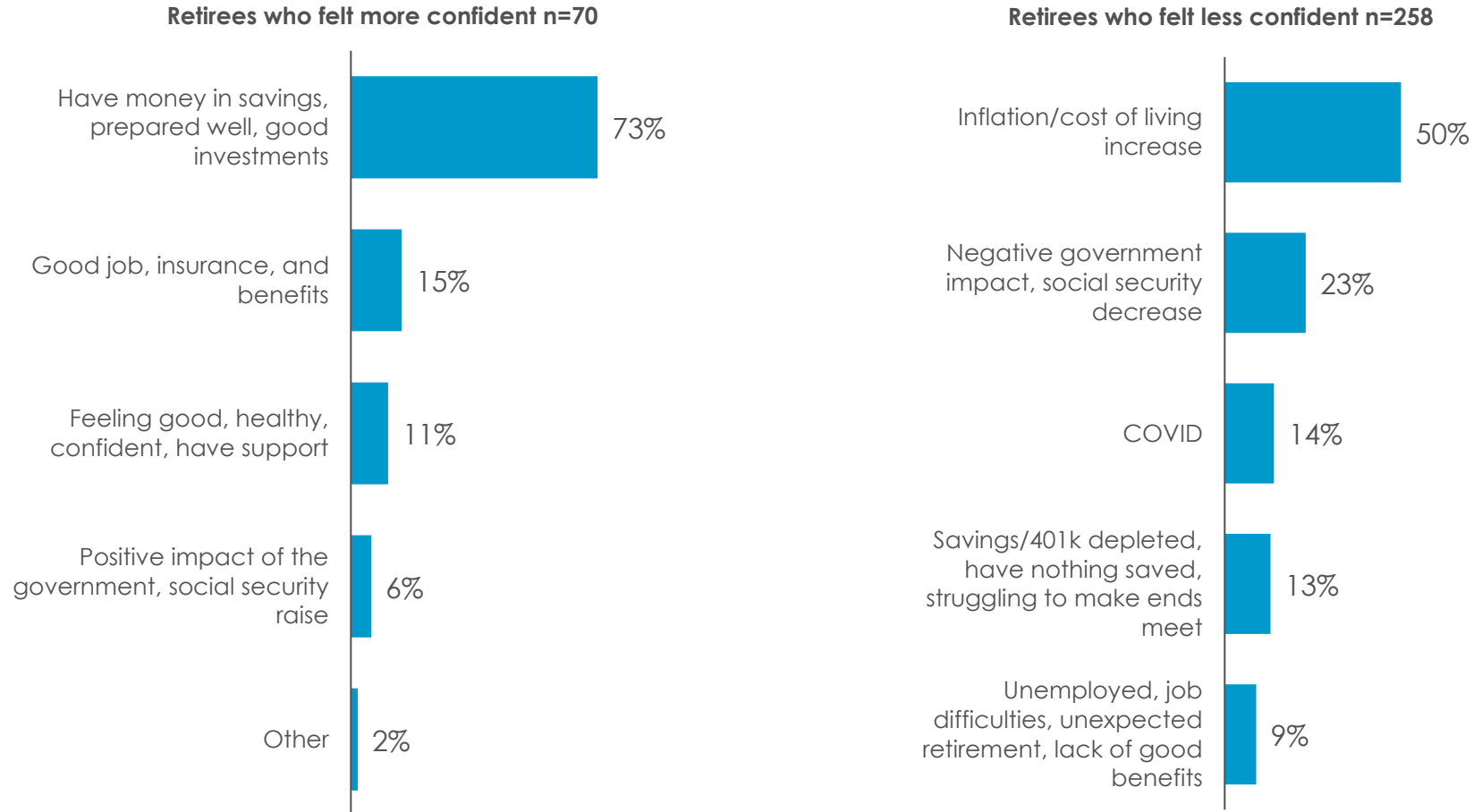
Nearly 7 in 10 retirees report that the COVID-19 pandemic has not changed their confidence in their ability to live comfortably throughout their retirement.

Over the past year, how has the COVID-19 pandemic and its health and economic effects impacted your confidence that you (and your spouse) will have enough money to live comfortably throughout your retirement years? Do you feel...?
Retirees n=1,132



Almost three-quarters of retirees who feel more confident in their ability to live comfortably through retirement since COVID report it was due to having money in savings or having good investments. Half of retirees who feel less confident state it was due to inflation.

What specifically has made you feel [more/less] confident about your ability to live comfortably throughout retirement?



Retirement Preparations

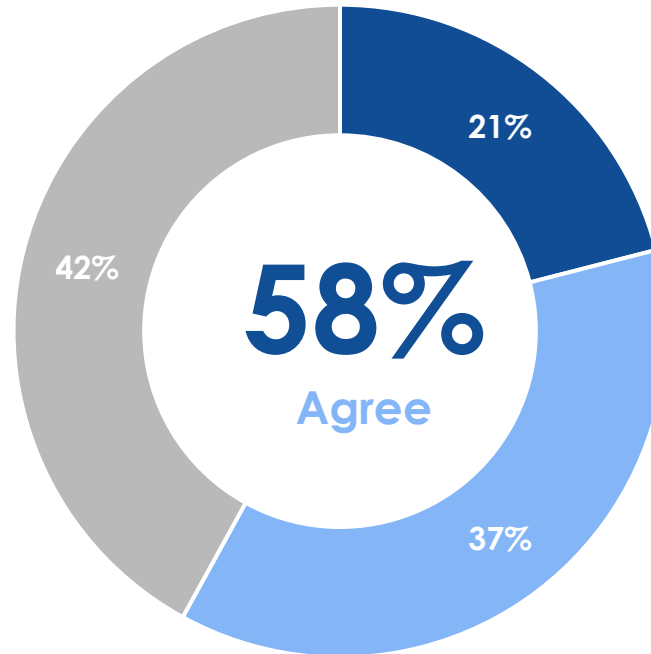
Nearly three in five workers agree that preparing for retirement makes them feel stressed.

To what extent do you agree or disagree with the following statement?

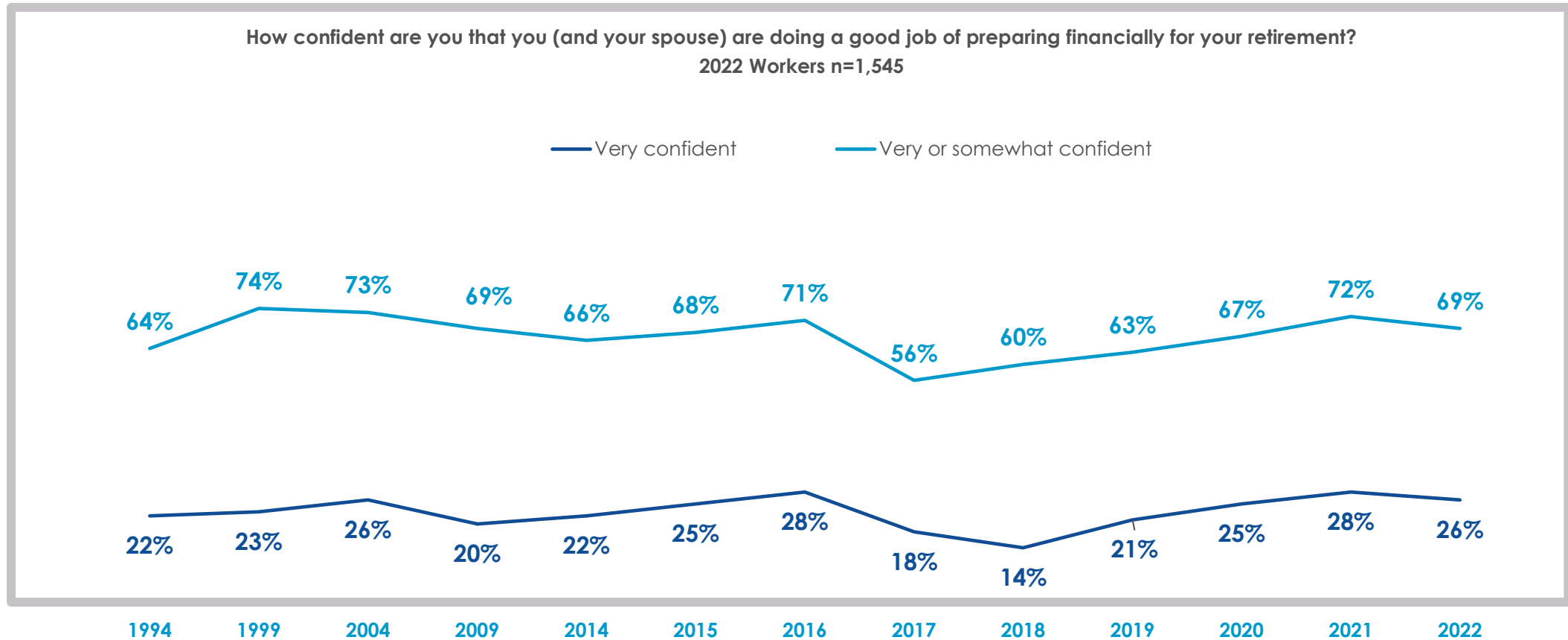
Preparing for retirement makes you feel stressed

Workers n=1,545

■ Strongly agree ■ Somewhat agree ■ Disagree



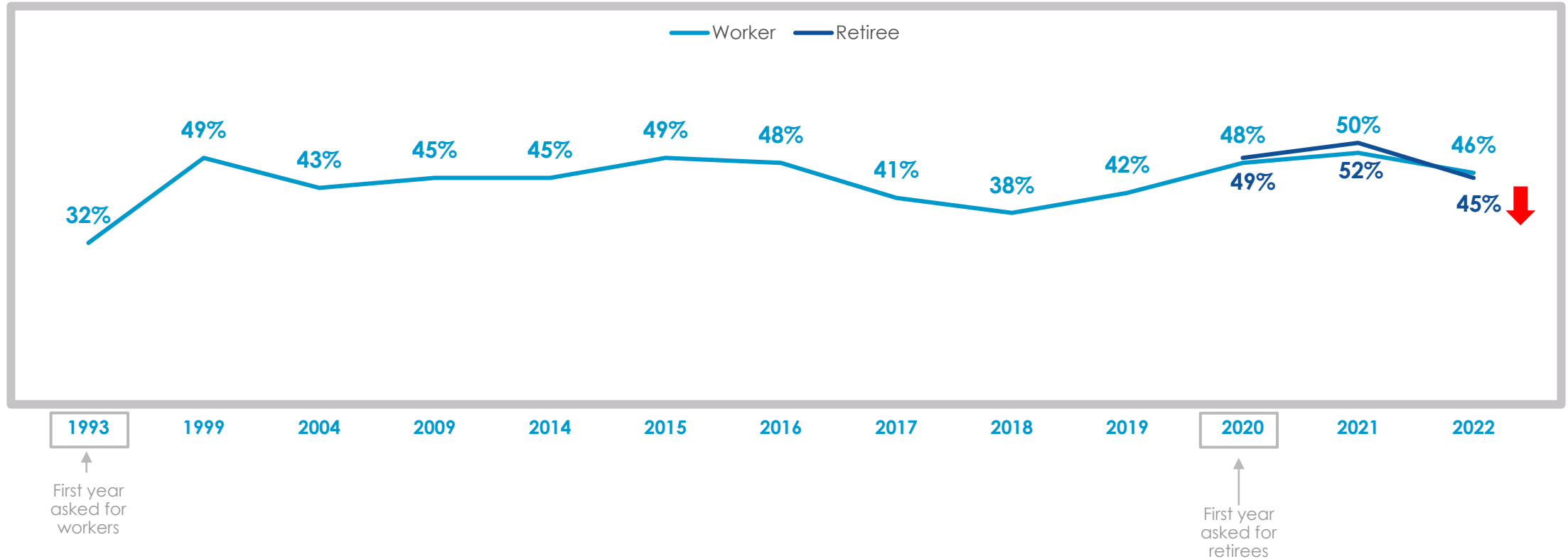
Comparable to 2021, almost 7 in 10 workers are confident that they are doing a good job preparing financially for retirement.



Fewer than half of workers and retirees have tried to calculate how much money they will need in retirement.

Have you (or your spouse) tried to figure out how much money you will need to have saved by the time you retire so that you can live comfortably in retirement? / To prepare for retirement, did you (or your spouse) try to figure out how much money you needed to have saved by the time you retired so that you could live comfortably in retirement?

2022 Workers n=1,432, 2022 Retirees n=1,081, Percent Yes







Figures and n-sizes from all years presented exclude those who answered 'Don't know' or refused to answer
↑=Significantly higher than previous year, ↓=significantly lower than previous year;

Nearly 2 in 10 workers report having less than \$1,000 in savings. Among those without a retirement plan, nearly 2 in 3 have less than \$1,000.

In total, about how much money would you say you (and your spouse) currently have in savings and investments, not including the value of your primary residence or defined benefit plan assets?

2022 Workers n=1,409

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022 Have Plan*	2022 No Plan
Less than \$1,000	28%	36%	28%	26%	24%	26%	19%	18%	13%	19% 	7%	62%
\$1,000 - \$9,999	18	16	17	16	14	11	10	9	8	8	7	13
\$10,000 - \$24,999	11	8	12	12	9	8	11	8	6	6	7	5
\$25,000 - \$49,999	9	9	9	10	8	9	9	6	7	8	8	8
\$50,000 - \$99,999	10	9	10	10	10	11	9	12	12	10	12	5
\$100,000 - \$249,999	12	11	10	12	15	15	19	17	21	15 	18	6
\$250,000 or more	12	11	14	14	20	21	23	30	33	33	41	3

*Have Retirement Plan defined as respondent or spouse having at least one of the following: IRA, DC plan, or DB plan; Figures and n-sizes from all years presented exclude those who answered 'Don't know' or refused to answer; =Significantly higher than previous year, =significantly lower than previous year;

2022 RETIREMENT CONFIDENCE SURVEY

Workplace Plans & Retirement Income

EBRI

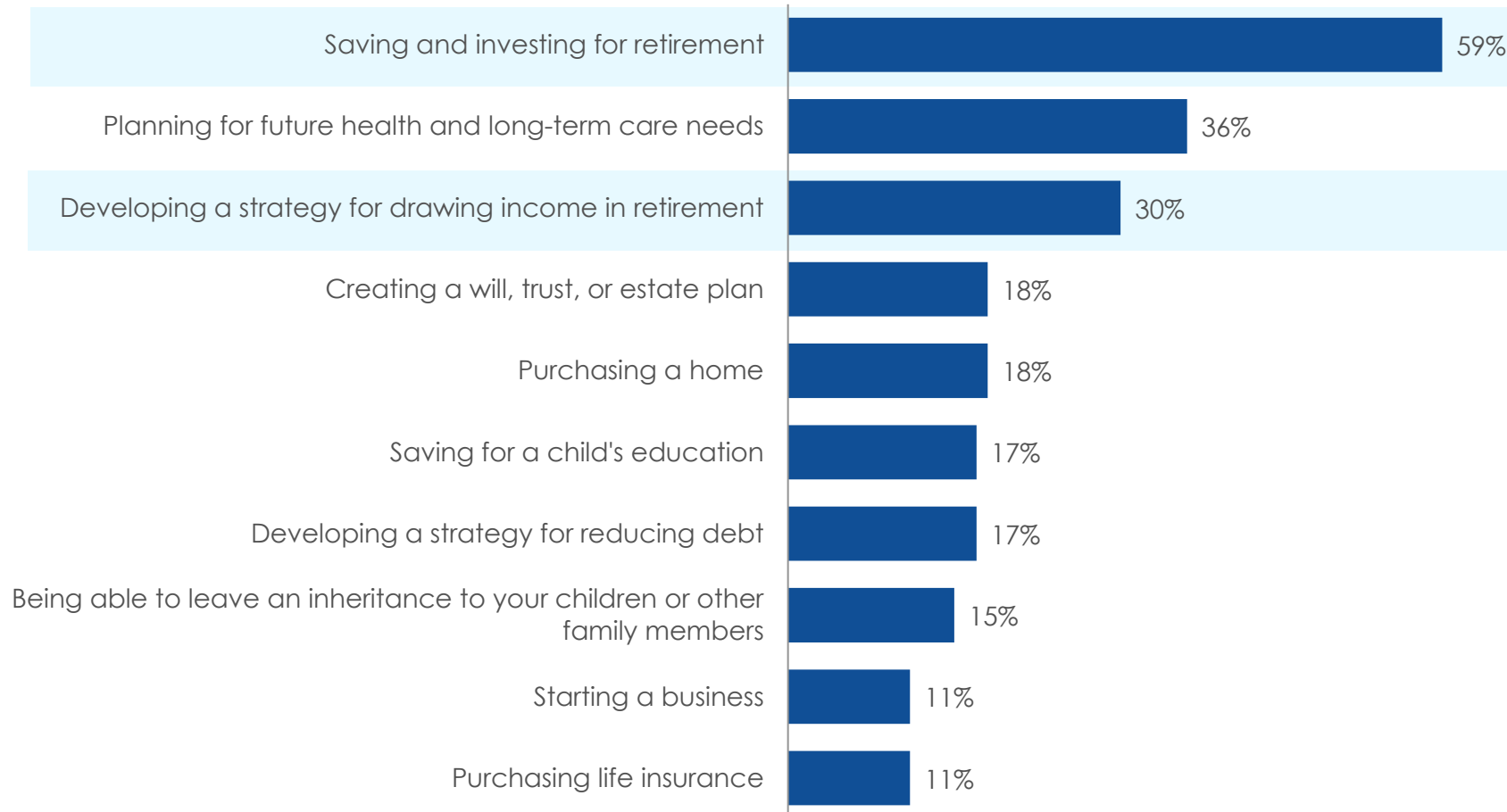
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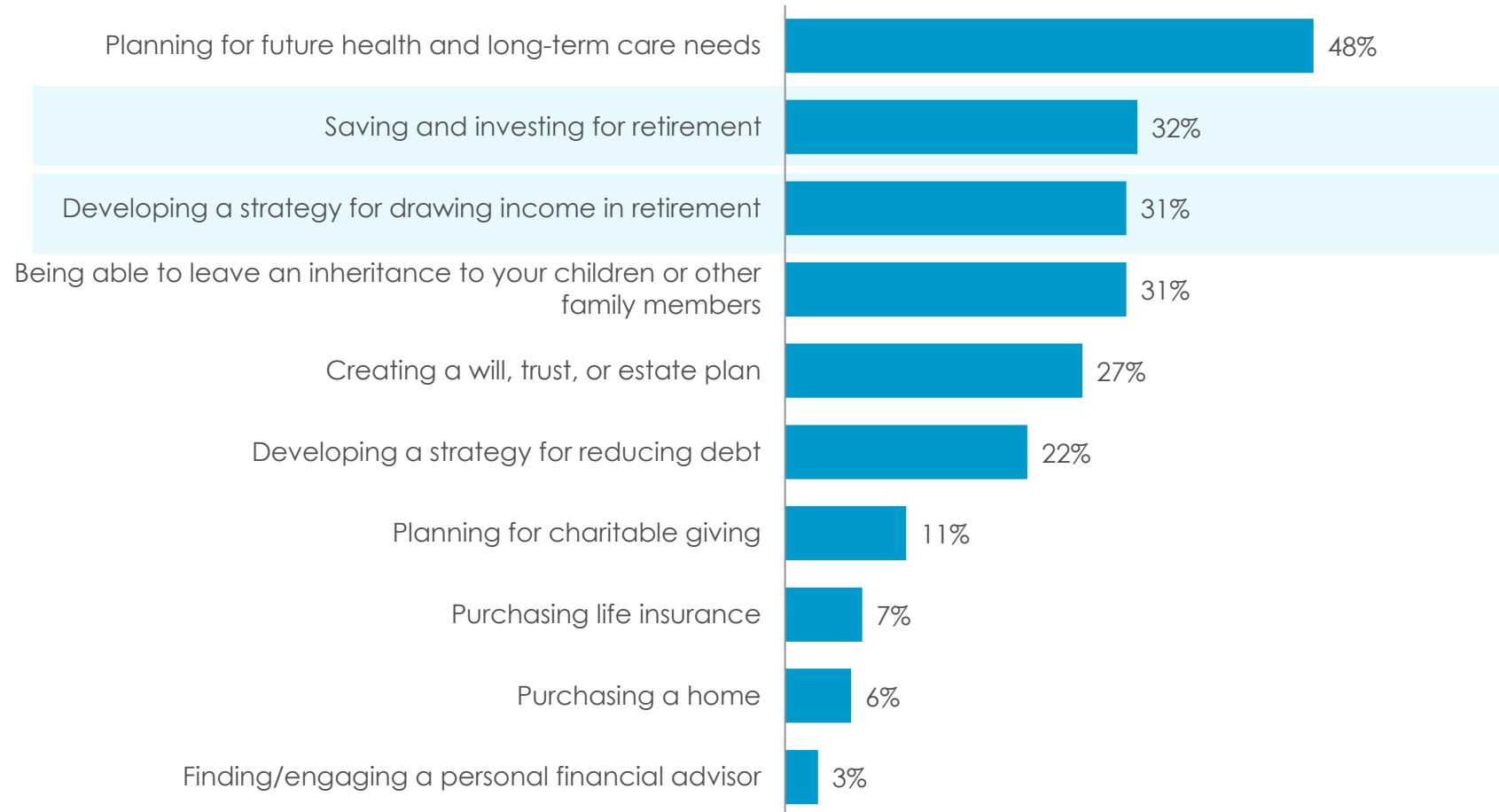
Retirement savings is cited most often among workers' top 3 longer-term financial planning priorities. Developing a strategy for retirement income is third on that list.

Aside from managing day-to-day finances, which of the following are your top three longer-term financial planning priorities? Workers n=1,545; Top 10 Mentions



Retirees' focus is on future health and LTC needs, though they also continue to focus on retirement savings and retirement income strategies.

Aside from managing day-to-day finances, which of the following are your top three longer-term financial planning priorities? Retirees n=1,132; Top 10 Mentions



Second only to Social Security, workers will rely on their workplace retirement plans to produce income in retirement. Many plan to use an IRA and more than half plan to use a product with GLI.

To what extent (do you expect each of the following to be/is each of the following) a source of income in retirement?

Workers planning to retire n=1,345, Retirees n=1,132; Select Findings

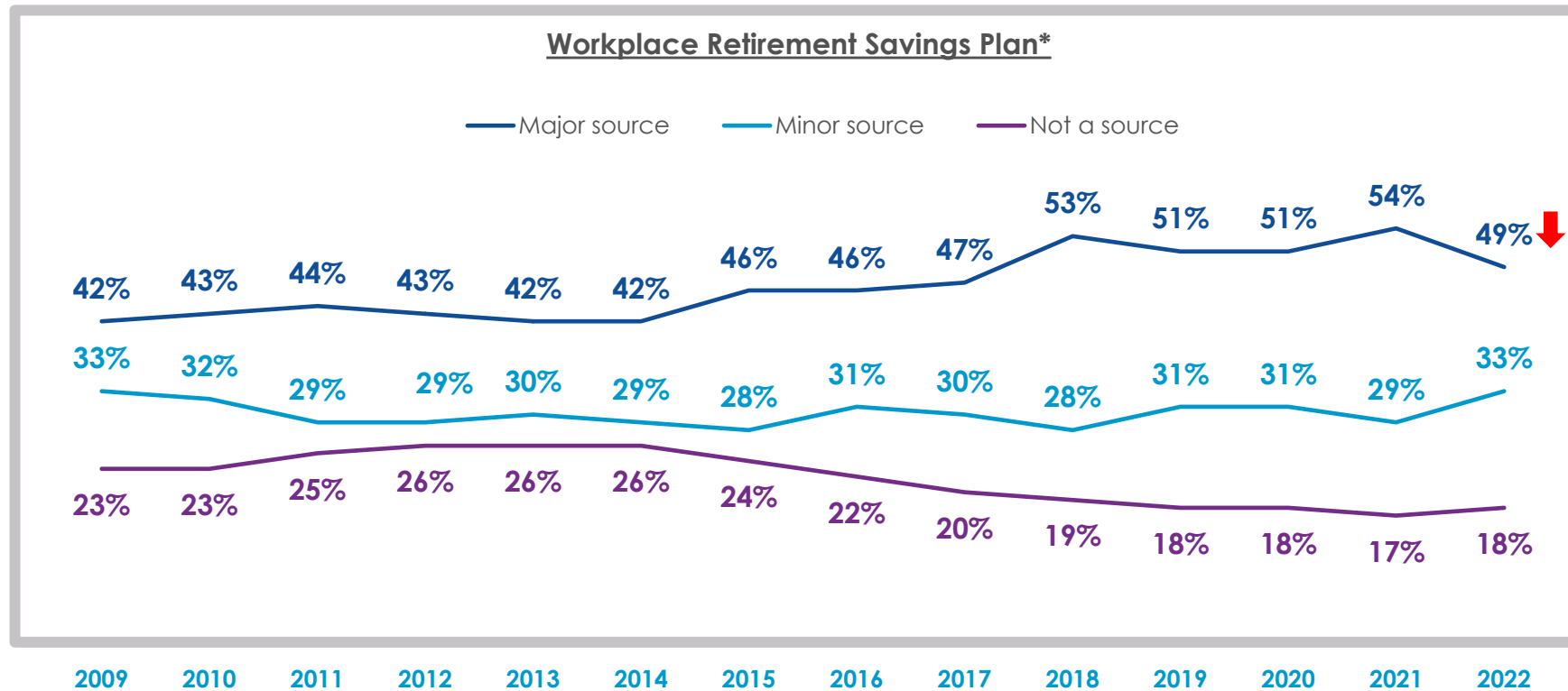
Net: Major/Minor Source of Income



↑=Significantly higher than previous year, ↓=significantly lower than previous year

Over 4 in 5 workers expect their workplace retirement savings plan to be a source of income in retirement, including half who say it will be a major source.

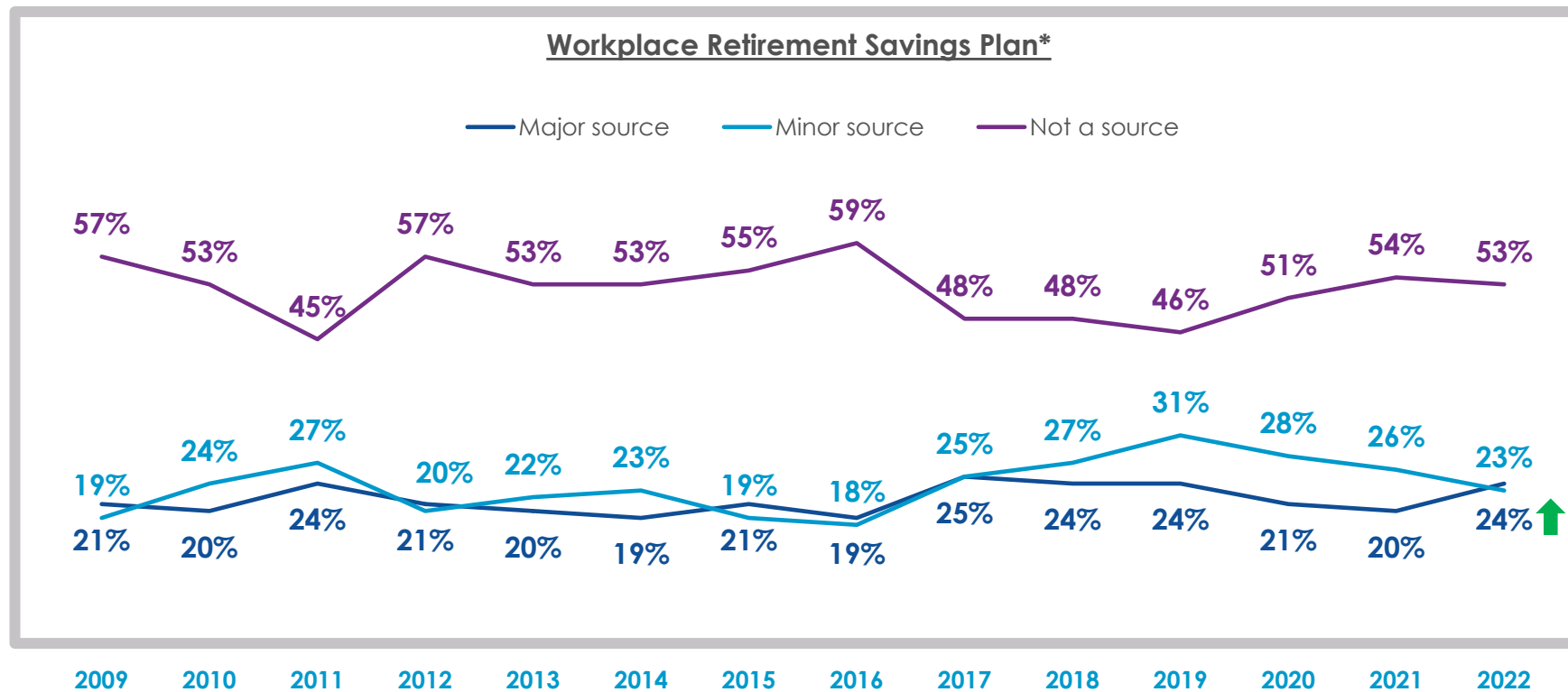
To what extent do you expect each of the following to be a source of income in retirement?
2022 Workers planning to retire n=1,345



*Previously (2020) asked 'Employer-sponsored Retirement Savings Plan'
↑=Significantly higher than previous year, ↓=significantly lower than previous year

Almost half of retirees say a workplace retirement savings plan has been a source of income in retirement, although just 1 in 5 say it is a major source.

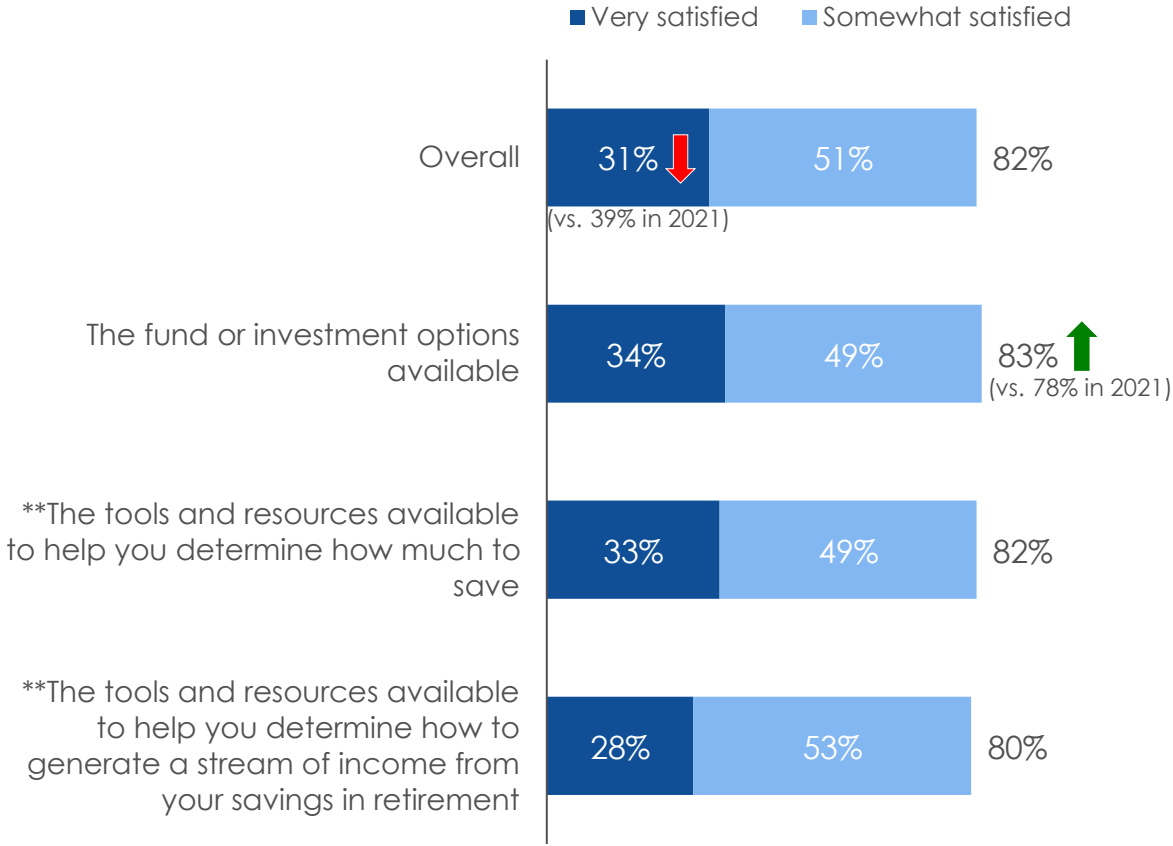
To what extent is each of the following a source of income in retirement?
2022 Retirees n=1,132



*2020 asked 'Employer-sponsored Retirement Savings Plan'
↑=Significantly higher than previous year, ↓=significantly lower than previous year

More than 4 in 5 are satisfied with their retirement plan overall and with the investment options available. 8 in 10 are also satisfied with tools to help with decumulation.

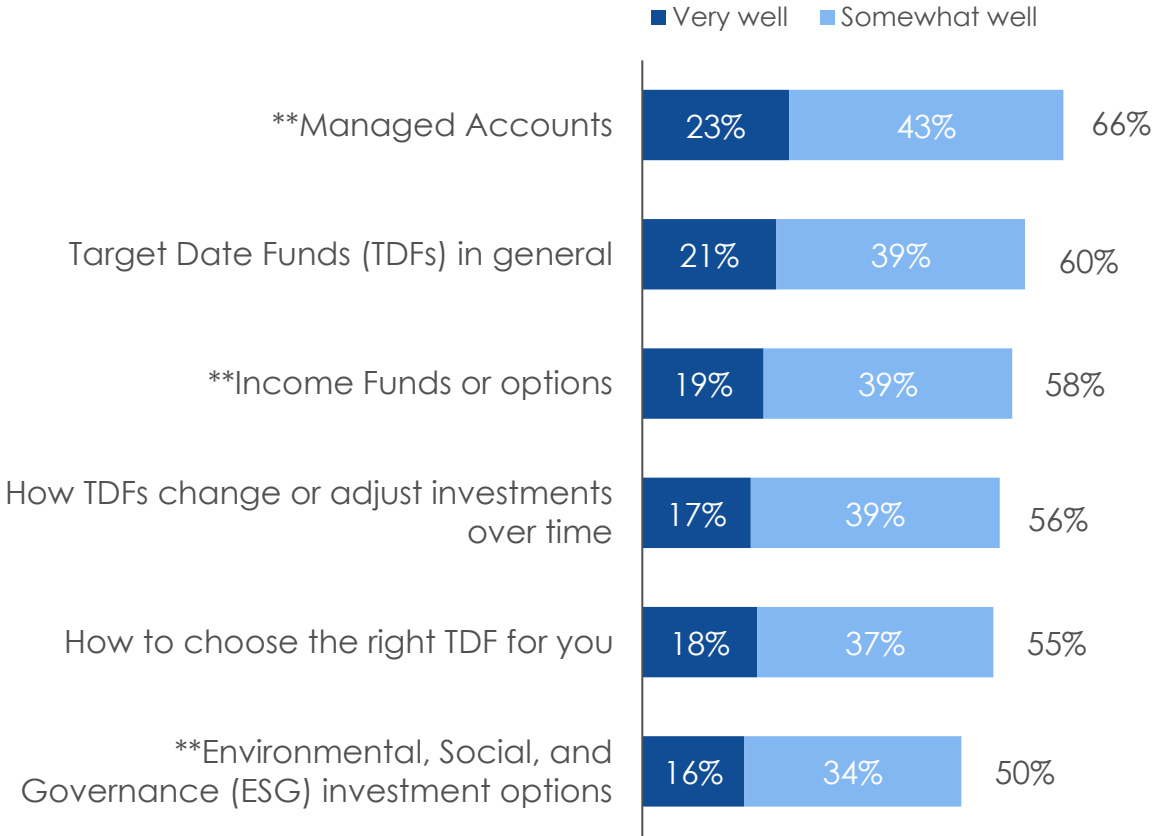
How satisfied are you with the following aspects of your workplace retirement savings plan?
Workers offered an employer-sponsored retirement savings plan n=742



**Newly added in 2022, results shown are among individuals who indicated utilizing the specified tools/resources;
↑=Significantly higher than previous year, ↓=significantly lower than previous year

Strong understanding of common in-plan investment options hovers at about 1 in 4, and one-third to half admit they don't understand these investment options well.

How well do you understand the following workplace retirement plan investment options?
Workers offered an employer-sponsored retirement savings plan n=742



**Newly added in 2022

Workers most often consider performance when choosing retirement investments in their workplace plan. Almost 1 in 5 take risk tolerance or fees into consideration.

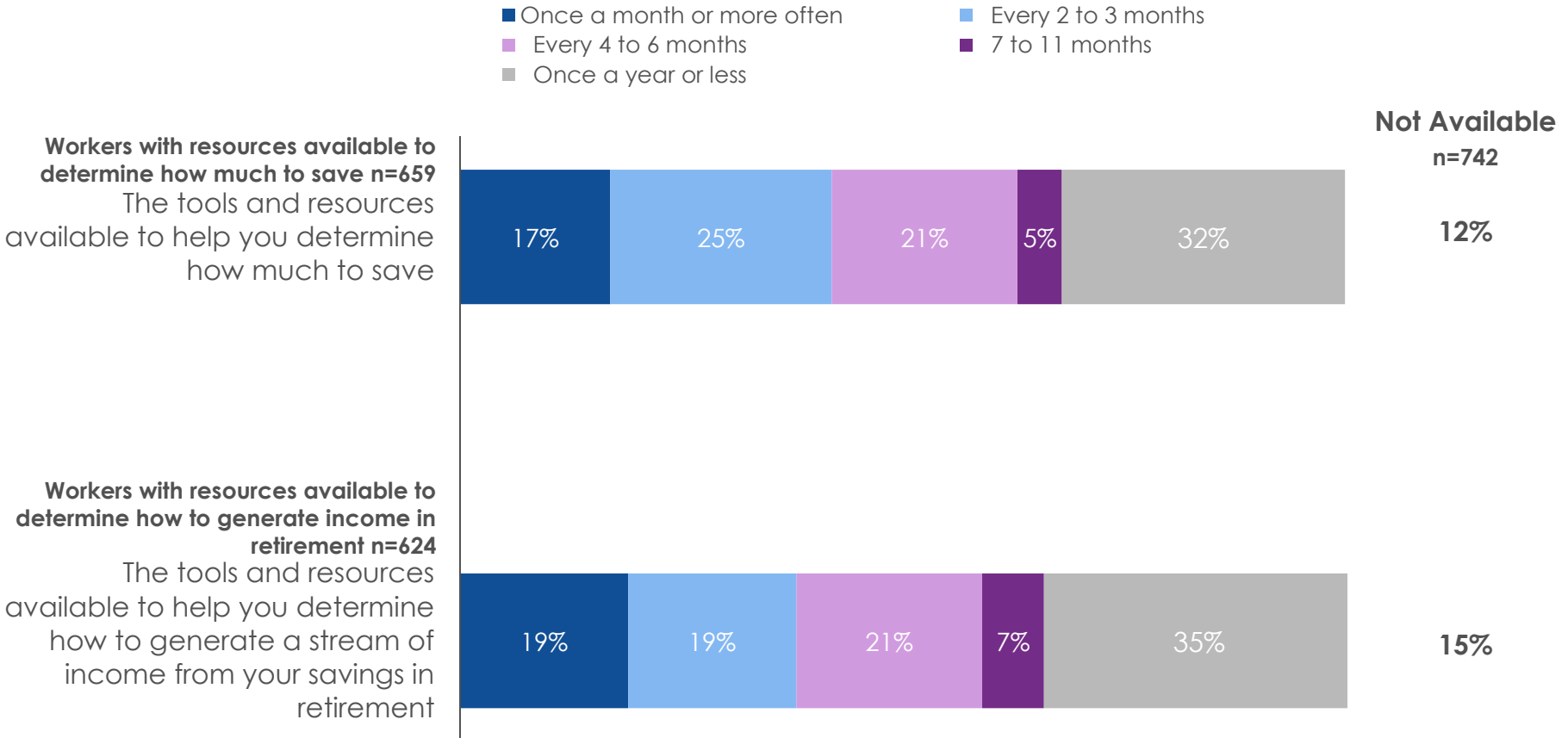
What factors do you consider when selecting investment options within your workplace retirement plan?
Workers currently contributing to an employer-sponsored retirement savings plan n=675



**Newly added in 2022;
↑=Significantly higher than previous year, ↓=significantly lower than previous year

Over half of workers who are offered a workplace retirement savings plan use tools to determine how much to save or how to generate income at least every 6 months.

How often would you say you use the following resources available through your workplace retirement plan?
 Workers offered an employer-sponsored retirement savings plan n=742



Not previously asked;

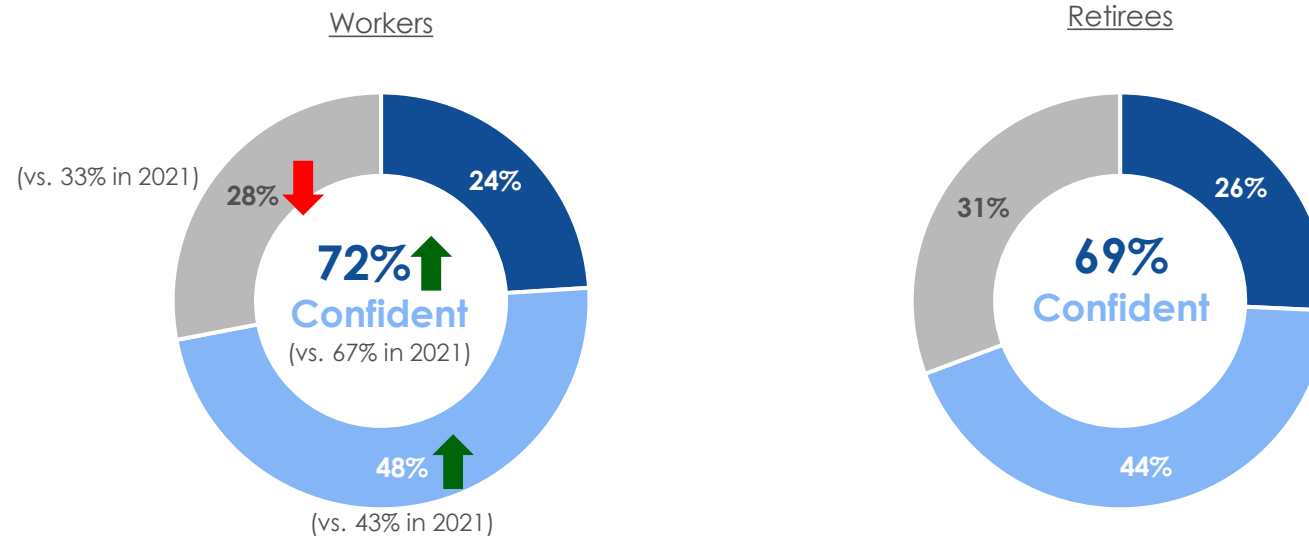
Only 1 in 4 feel very confident they know how much to withdraw from their retirement savings and investments.

How confident are/were you (and your spouse)...?

You know/knew how much to withdraw from your retirement savings and investments in retirement

Workers n=1,545, Retirees n=1,132

■ Very confident ■ Somewhat confident ■ Not confident



Most frequently cited improvements to plans center on retirement income communication and options.

Which of the following would be the most valuable improvements to your retirement savings plan?
 Workers offered an employer-sponsored retirement savings plan n=742

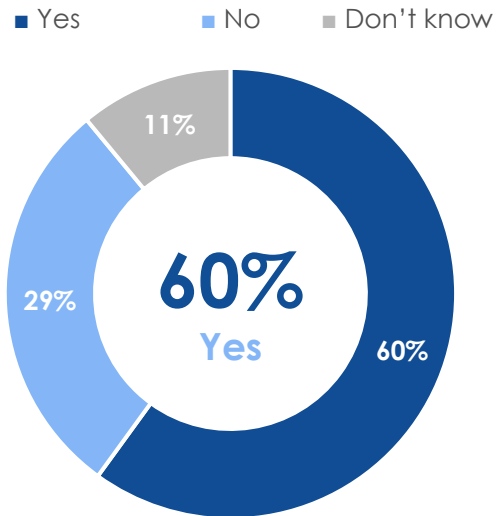


**Newly added in 2022;
 ↑=Significantly higher than previous year, ↓=significantly lower than previous year

6 in 10 plan participants say their employer offers lifetime income projections. 9 in 10 find it useful.

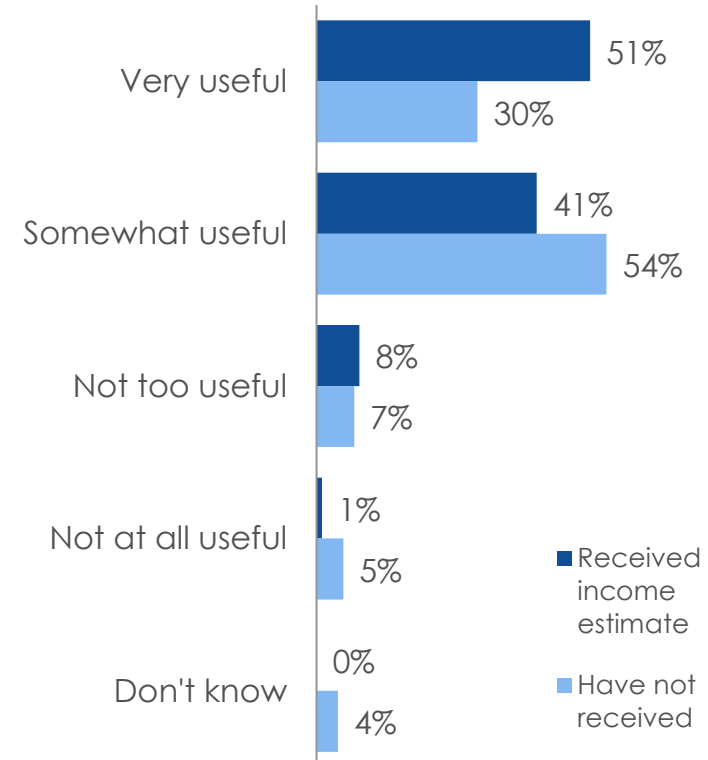
In recent years, a number of organizations have developed calculators to estimate how much a certain level of savings will provide as monthly income in retirement. Based on your current account balance and annual contributions, these calculators will provide estimates of what might be available from these plans in terms of monthly income. Do you receive this type of information from your employer?

Workers currently contributing money to a retirement savings plan n=675



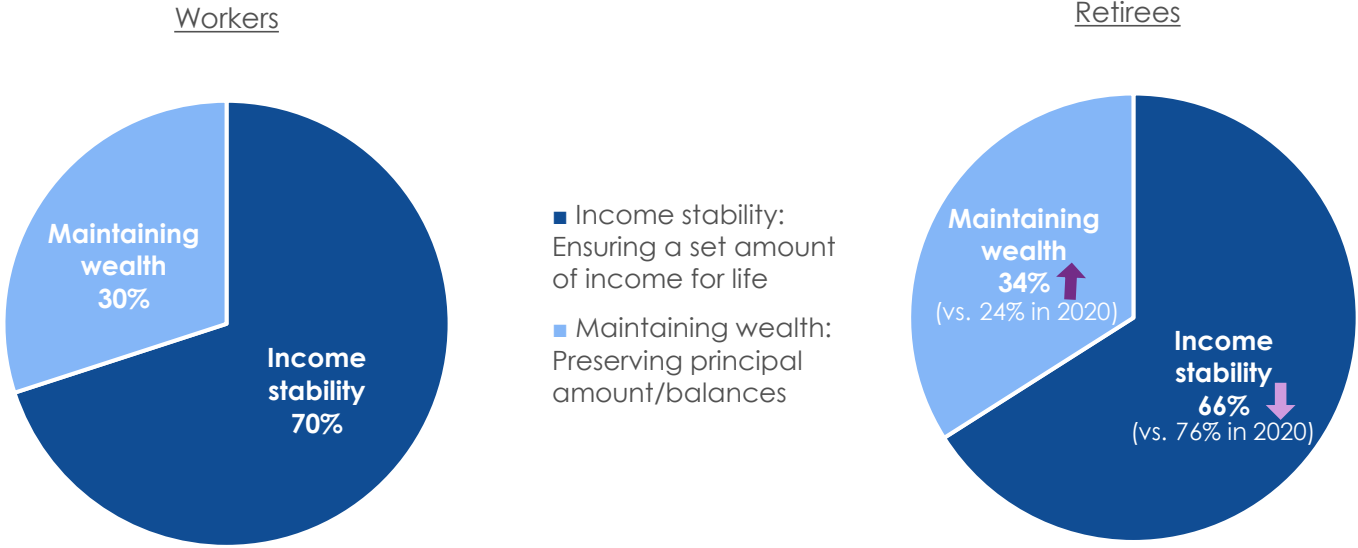
How useful (is it/would it be) to receive an estimate of the monthly retirement income you might expect from your (retirement) savings?

Workers currently contributing money to a retirement savings plan
 Who received income estimate n=360;
 Who did not receive estimate n=166



About 2 in 3 workers and retirees say income stability is more important than preserving principal.

Thinking about your financial priorities in retirement, which of these is more important to you?
Workers n=1,545, Retirees n=1,132



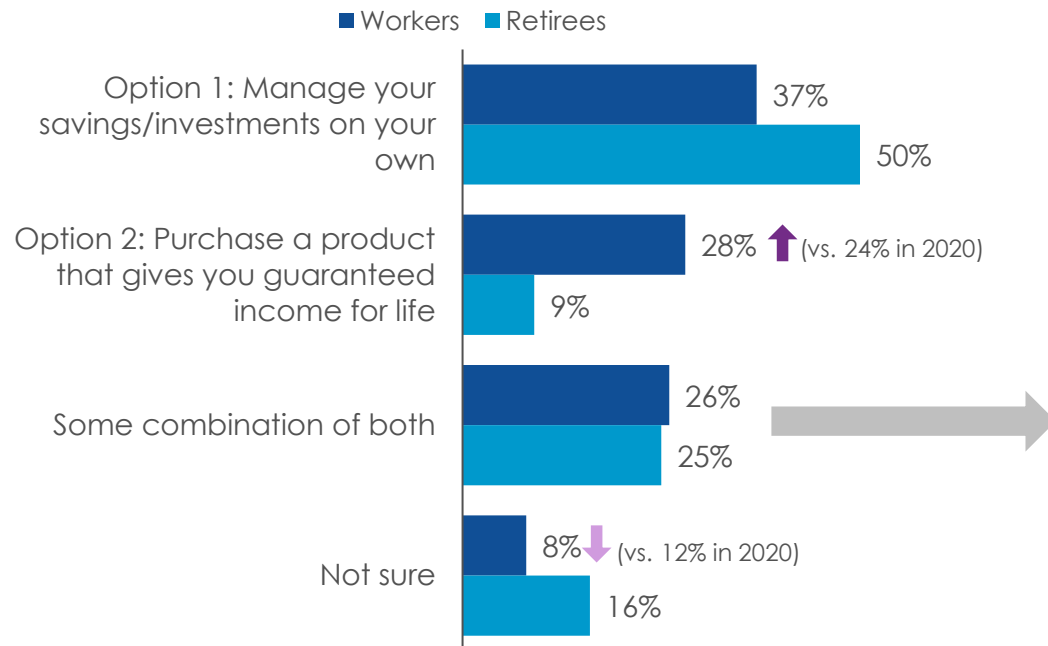
Not asked in 2021;
↑=Significantly higher than 2020, ↓=significantly lower than 2020

4 in 10 workers and half of retirees prefer managing their assets on their own, though at least a quarter would use a combination of both approaches.

Please consider the following two approaches to managing assets and generating income in retirement. Which approach are you most likely to take? Workers n=1,545, Retirees n=1,132

Option 1: You manage your savings and investments on your own and determine your own strategy for generating income. This approach gives you control over your investments and withdrawals. You can choose investments with higher or lower fees. It does not guarantee income for life and your investments may lose money.

Option 2: You purchase a product that guarantees you a set amount of monthly income for life. Monthly income would vary based on how much you “purchased.” This approach gives you little control over those assets. The fees may be higher than other financial products because of the guarantee it provides.



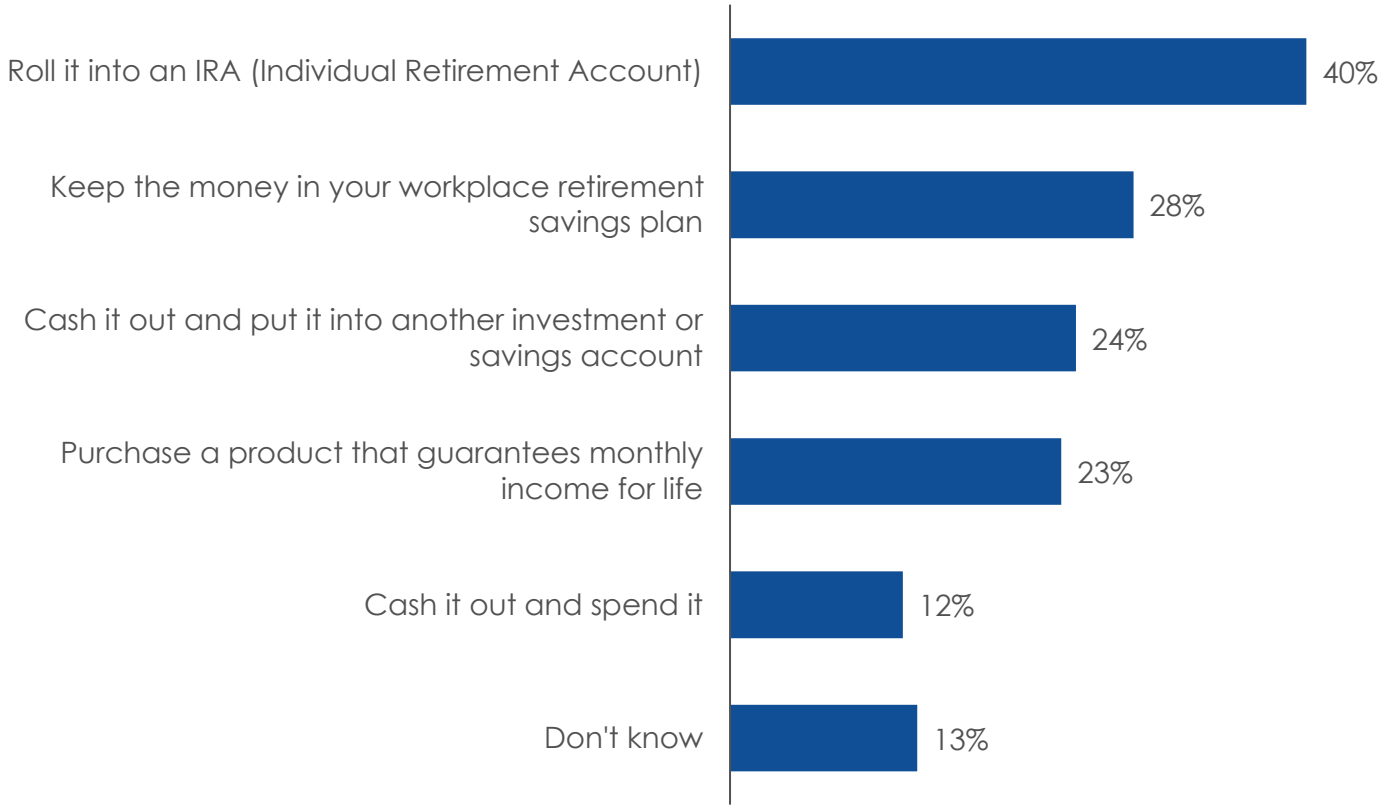
About what percentage of your assets would you use for each approach? Workers who would use a combination n=448, Retirees n=285

	Workers	Retirees
Option 1	53.2%	53.7%
Option 2	46.8%	46.3%

Not asked in 2021;
 ↑=Significantly higher than 2020, ↓=significantly lower than 2020

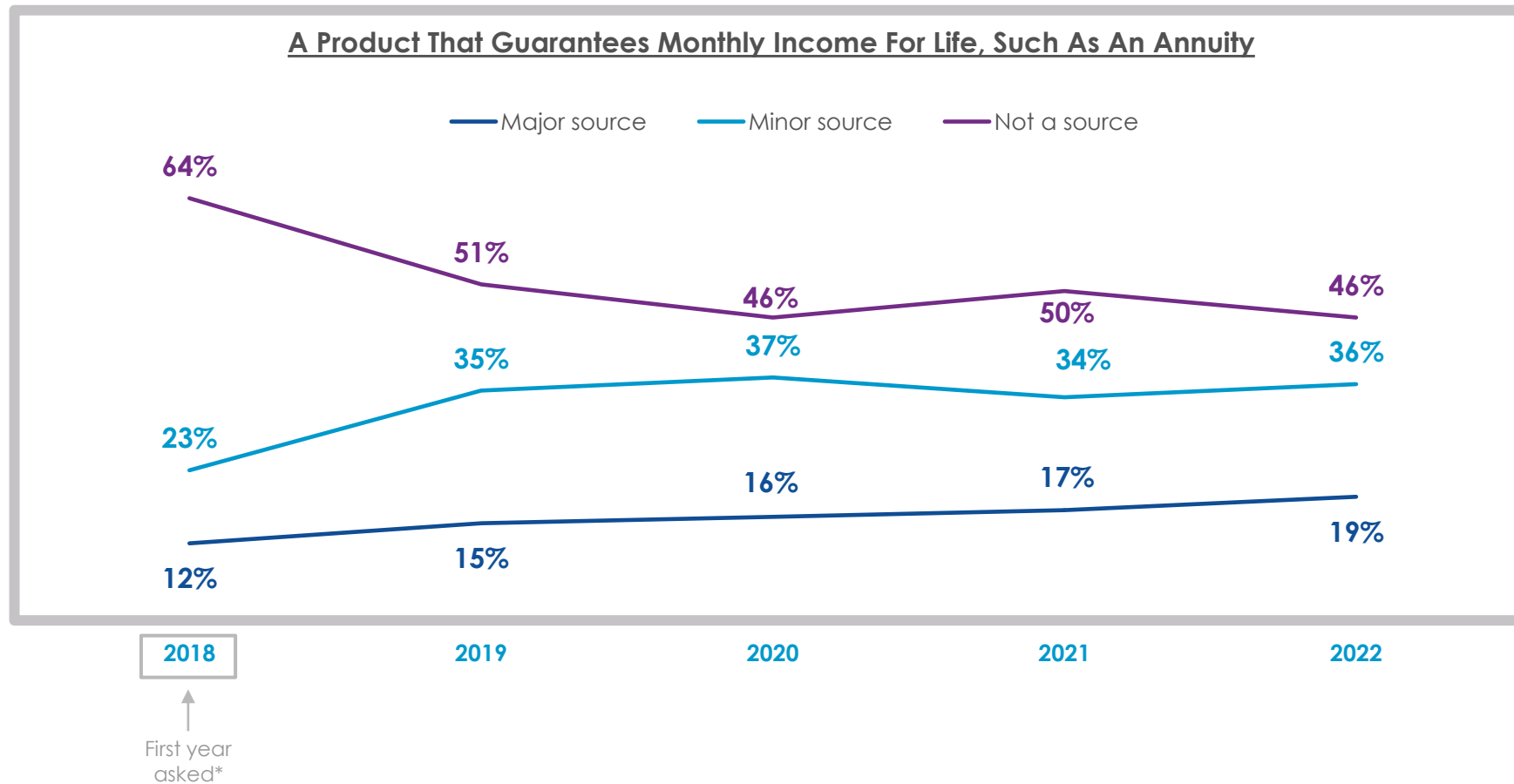
**The largest share will roll assets out to an IRA.
1 in 4 say they will keep the money in their workplace retirement plan. Nearly as many claim they will purchase a product with GLI.**

Which of the following are you most likely to do with the money in your retirement savings plan when you retire?
Workers participating in retirement savings plan n=675



Over half of workers claim a product that guarantees monthly income for life will be a source of income in retirement.

To what extent do you expect each of the following to be a source of income in retirement?
2022 Workers planning to retire n=1,345



5 KEY TAKEAWAYS

- 1) Saving for retirement AND retirement income strategies are top goals for workers and retirees.
- 2) Only 1 in 4 feel very confident they know how much to withdraw in retirement. Many more claim to be somewhat confident they can figure this out.
- 3) Workers plan to use their workplace retirement plans as a source of income and they want options and tools for this in-plan, even though most still feel they will roll money out of the plan.
- 4) While plan satisfaction remains high, many do not understand common DC plan investment types, such as income options, ESG, and even TDFs.
- 5) While about 2 in 3 workers and retirees say income stability is more important than preserving principal, many – especially retirees – still prefer to manage finances in retirement on their own rather than purchase a GLI product. Many suggest they'd like a combination.

Financial Goals & Planning

3 in 5 workers state saving and investing for retirement is one of their top three longer-term financial planning priorities.

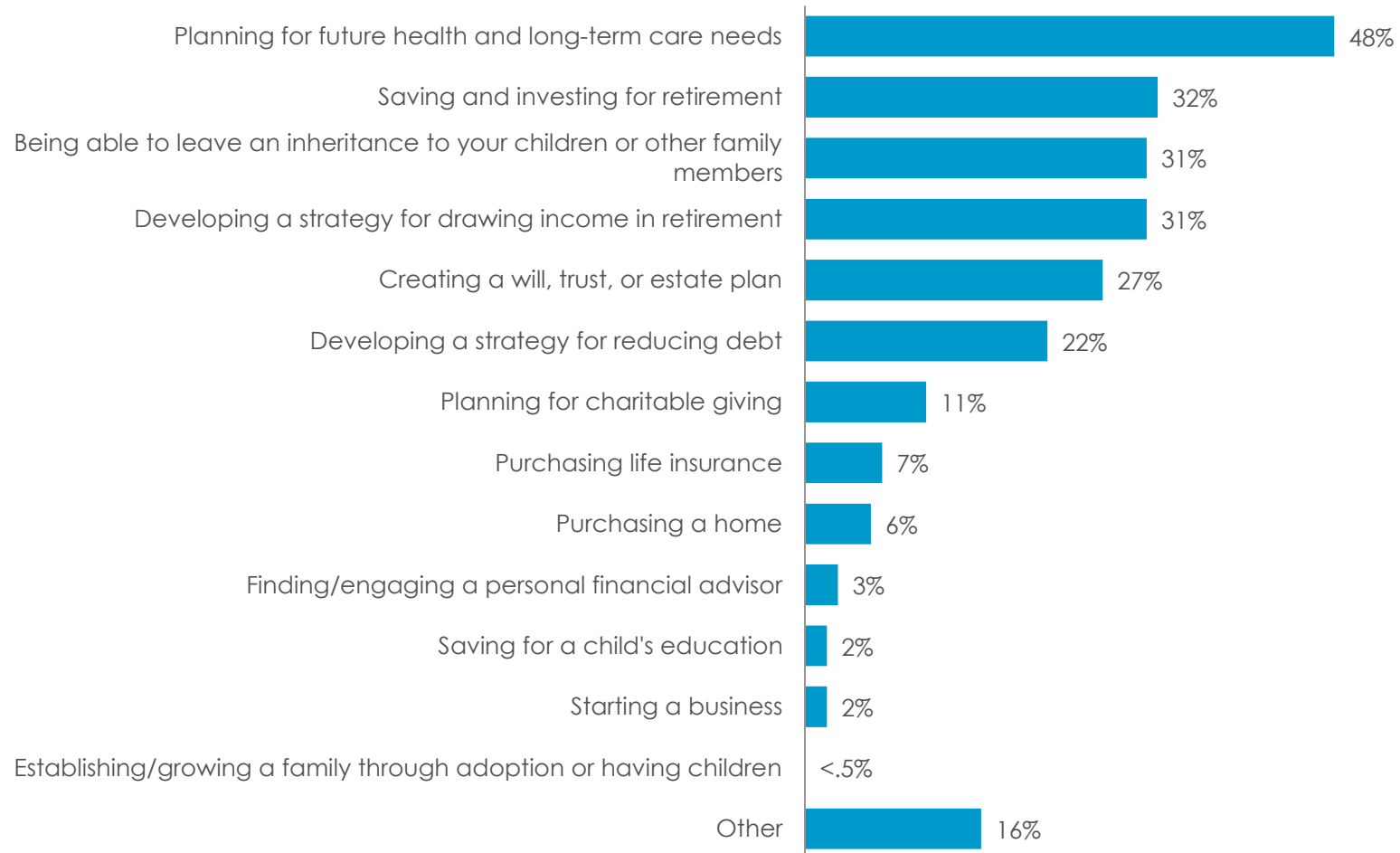
Aside from managing day-to-day finances, which of the following are your top three longer-term financial planning priorities?

Workers n=1,545



Almost half of retirees state planning for future health and long-term care needs is one of their top three longer-term financial planning priorities.

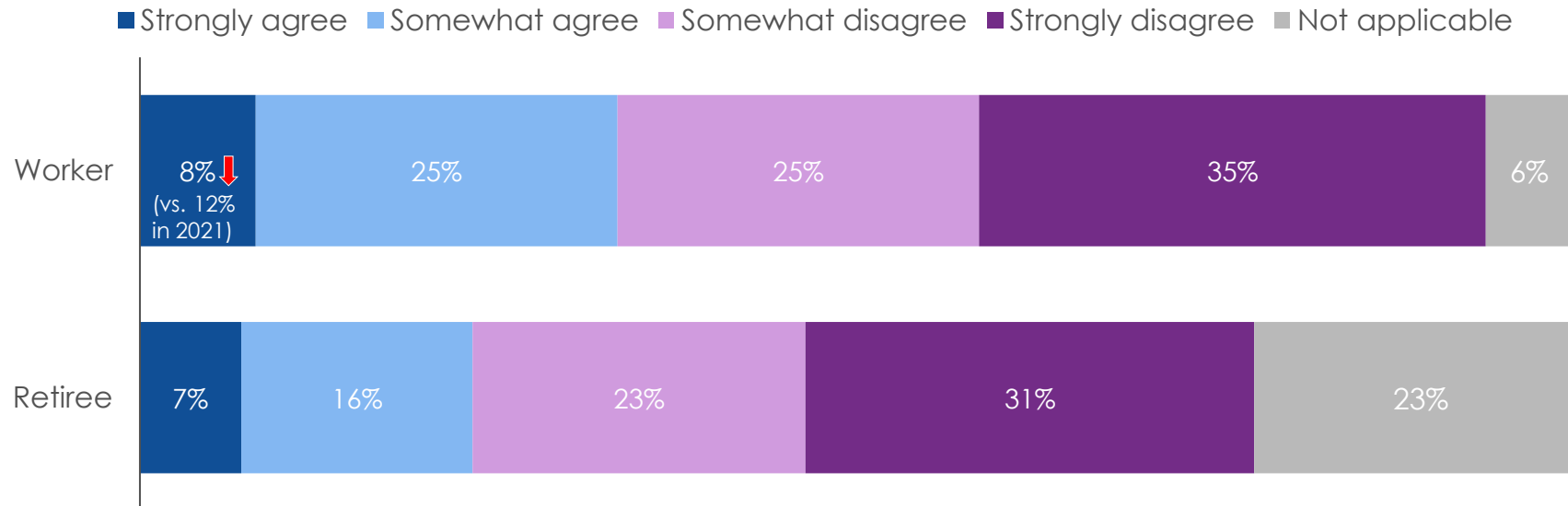
Aside from managing day-to-day finances, which of the following are your top three longer-term financial planning priorities?
Retirees n=1,132



1 in 3 workers and 1 in 4 retirees agree that retirement savings are not a priority relative to the current needs of their family. Workers are more likely than retirees to feel this way.

To what extent do you agree or disagree with the following?
Retirement savings is not a priority relative to the current needs of my family

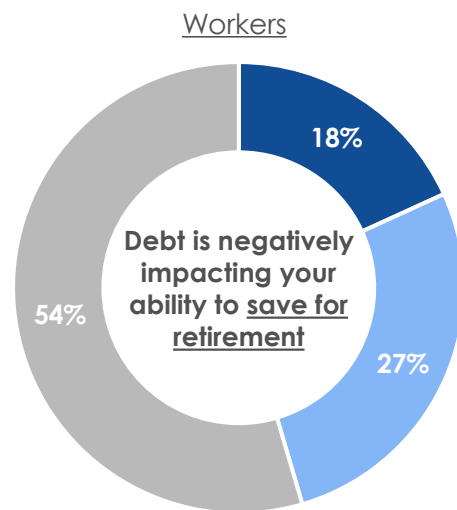
Workers n=1,545, Retirees n=1,132



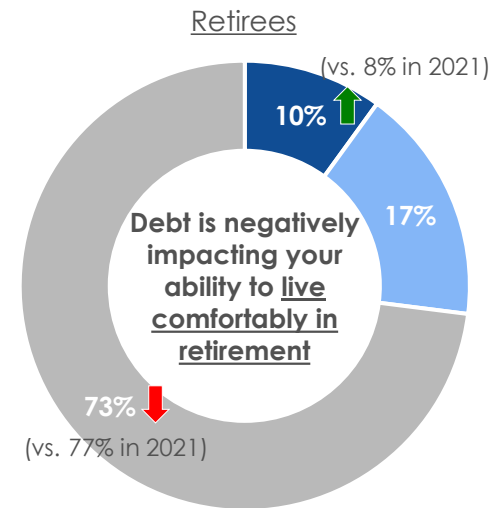
Nearly half of workers say debt has negatively impacted their ability to save for retirement. More so than last year, over 1 in 4 retirees say debt has impacted their ability to live comfortably in retirement.

To what extent do you agree or disagree with the following statements?
Workers n=1,545, Retirees n=1,132

■ Strongly agree ■ Somewhat agree ■ Disagree



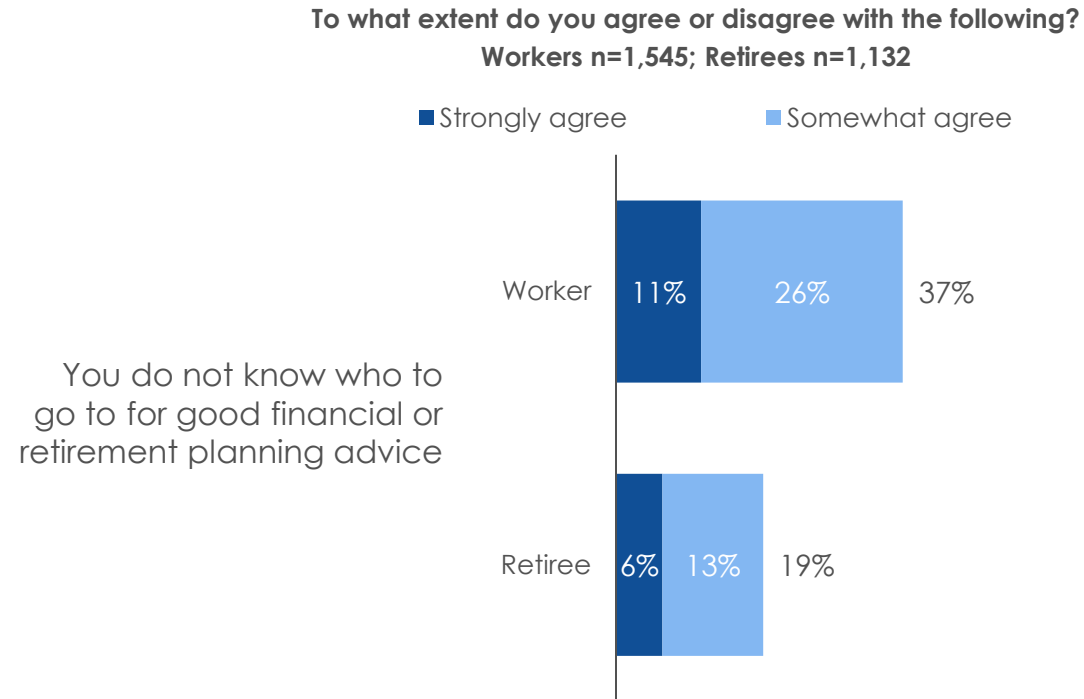
46% Agree



27% Agree ↑
(vs. 23% in 2021)

Trusted Sources of Information

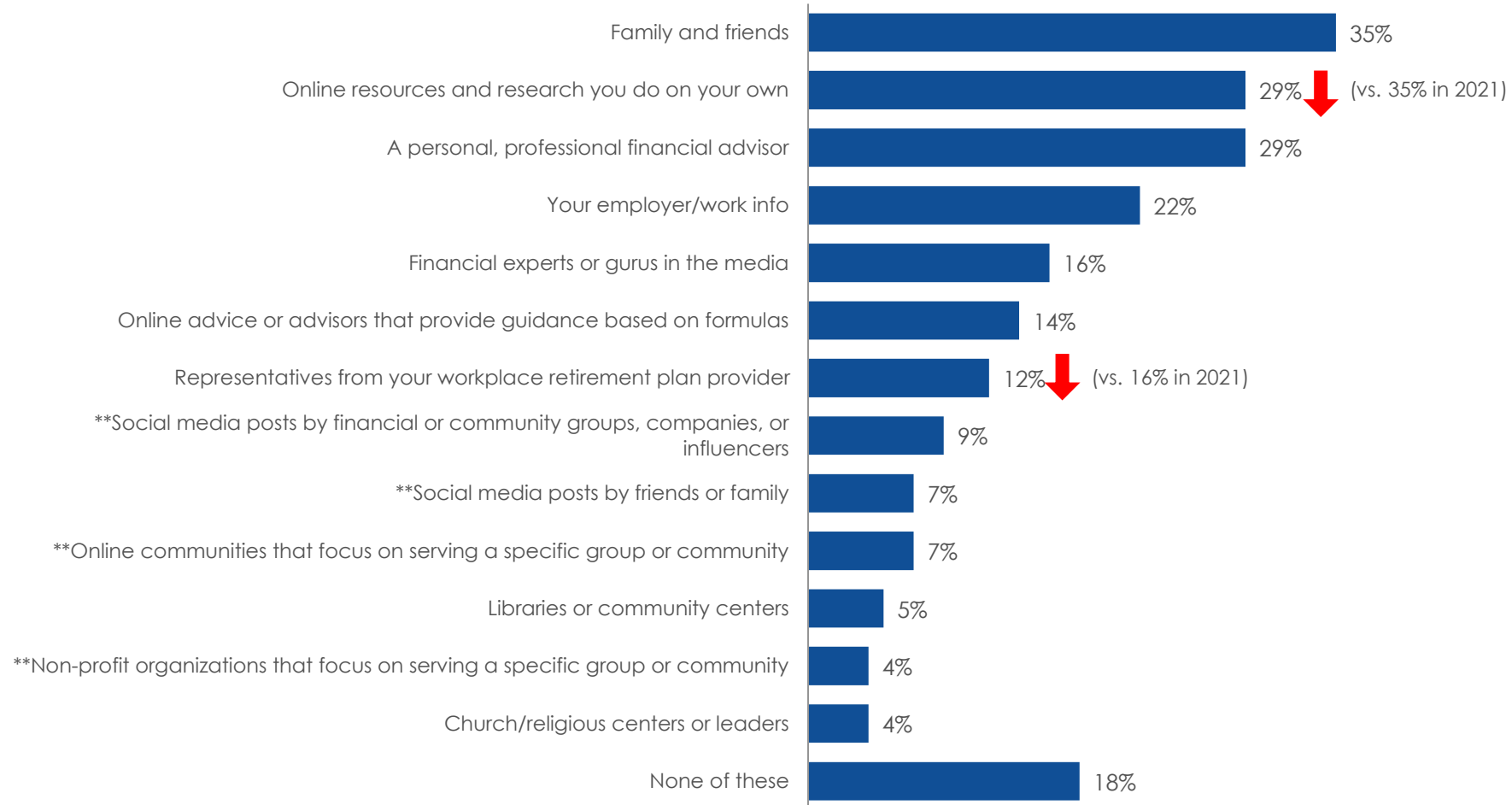
Nearly 4 in 10 workers and 2 in 10 retirees suggest they do not know where to go for financial or retirement planning advice.



More than 1 in 3 workers rely on family and friends for retirement planning advice. Almost the same share rely on their own online research.

Which of the following people or groups do you use as a source of information for retirement planning?

Workers n=1,545

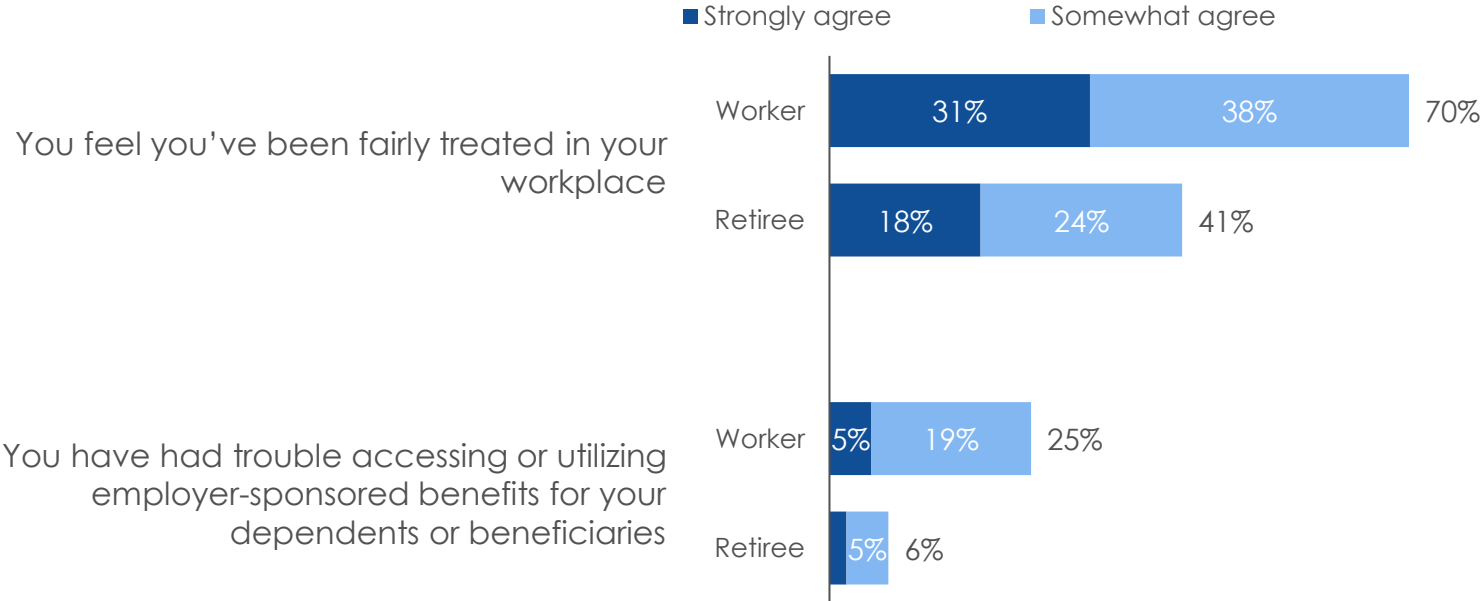


**Newly added in 2022

↑=Significantly higher than previous year, ↓=significantly lower than previous year;

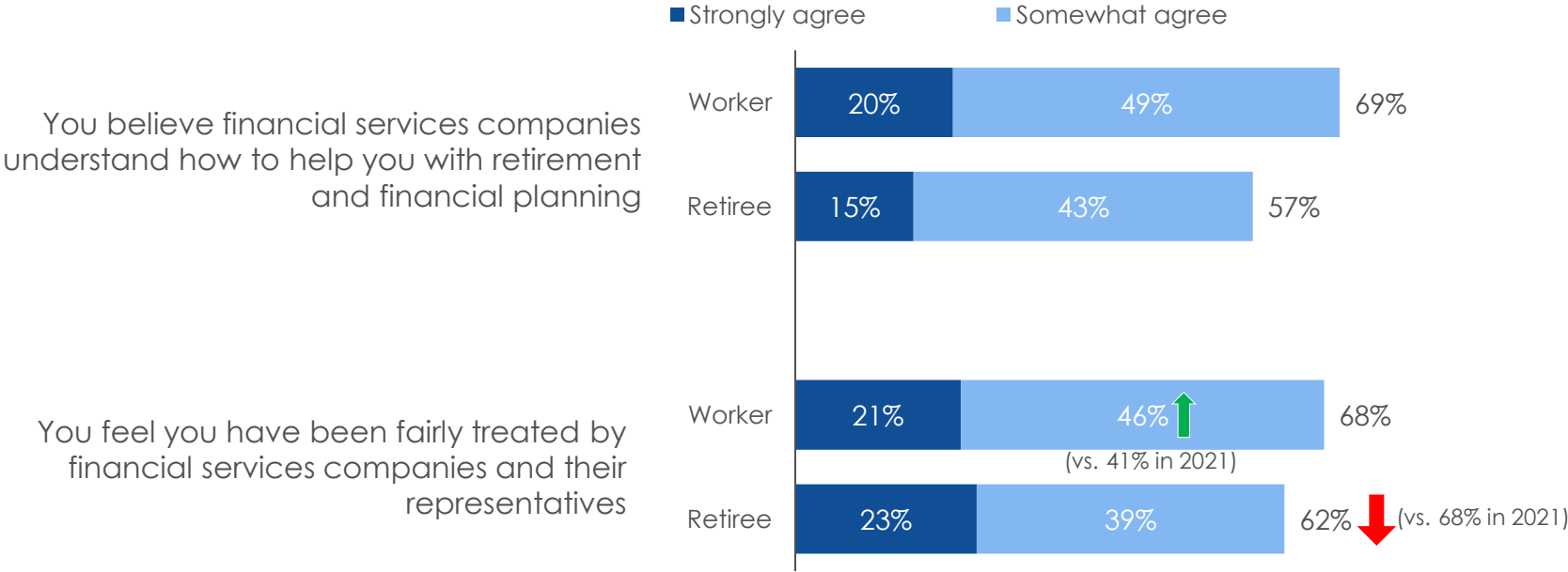
Fewer than 1 in 10 workers and 1 in 20 retirees trust their employer the most for financial information. At the same time, 3 in 10 workers and 6 in 10 retirees feel they haven't been fairly treated at work.

To what extent do you agree or disagree with the following?
Workers n=1,545; Retirees n=1,132



About 3 in 5 believe financial services companies have treated them fairly and understand how to help.

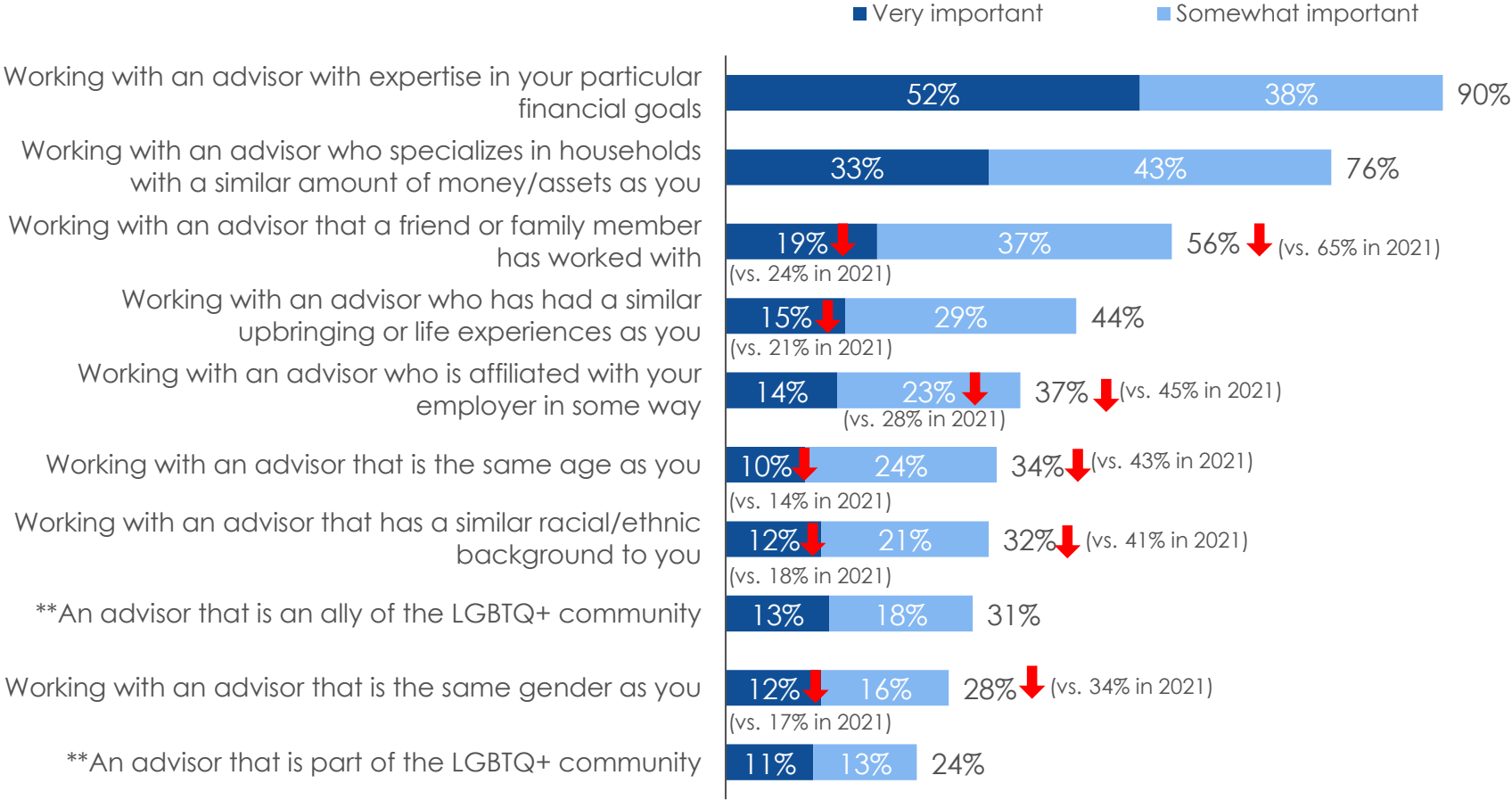
To what extent do you agree or disagree with the following?
 Workers n=1,545; Retirees n=1,132



↑=Significantly higher than previous year, ↓=significantly lower than previous year;

Half of workers state that working with an advisor with expertise in their financial goals is very important.

When you look(ed) for a professional financial advisor to work with, how important are/were the following criteria?
 Workers who work with or are likely to work with a professional financial advisor n=905



**Newly added in 2022
 ↑=Significantly higher than previous year, ↓=significantly lower than previous year

Q&A



Upcoming Events

June 14 — Retirement Confidence Survey — Focus on LGBTQ Americans webinar

June 22 — Retiree Reflections webinar



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